

**GENESEE COUNTY ROAD COMMISSION**

**SPECIAL BOARD MEETING**

**August 27, 2019**

**MINUTES**

**CALL TO ORDER**

Chairperson Mandelaris called the Special Board Meeting of the Genesee County Board of Road Commissioners to order at 10:00 a.m. The meeting was held in the Board Room of the Genesee County Road Commission, 211 W. Oakley, Flint, Michigan 48503-3995.

**ROLL CALL**

Present:                    John Mandelaris, Chairperson  
                               Robert Johnson, Vice-Chairperson  
                               Shirley Kautman-Jones, Commissioner  
                               Cloyce Dickerson, Commissioner  
                               David M. Arceo, Commissioner

Absent:                    None

Others Present: Fred Peivandi, Eric Johnston, Randy Dellaposta, Anthony Branch, Tracy Kahn, Donna Poplar, Dianna Robertson, Genesee County Road Commission Staff; Linda Kossak, Secretary of the Board of County Road Commissioners

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Chairperson John Mandelaris.

**APPROVAL OF THE AGENDA**

**ACTION TAKEN** - Motion by Ms. Kautman-Jones, seconded by Mr. Johnson, to approve the agenda for August 27, 2019.

Commissioner Dickerson stated that he wants to discuss the Human Resource Assistant position being made full-time. Chairperson Mandelaris stated that we would discuss this during the Department 60 – Human Resource part of the budget workshop.

**MOTION CARRIED.**

**PUBLIC ADDRESS THE BOARD**

(None)

## **DISCUSSION**

### Fiscal Year Ending September 30, 2020 Budget Workshop

A copy of the proposed Budget for the fiscal year ending September 30, 2020, was distributed to the Board and staff members for their review. (Copy filed with official minutes.)

Finance Director, Ms. Tracy Kahn started the meeting with a PowerPoint presentation on the highlights of the proposed fiscal year ending September 30, 2020 budget, outlining sources of revenues, expenditures and a comparative salary report for each department. Finance Manager, Ms. Dianna Robertson handed out copies of the presentation to the Board and staff members present.

Each department Director gave a report on their departmental budget and advised areas of cost containment as well as any increases or decreases to the last fiscal year's budget:

**Department 10 - Commissioners** - Managing Director, Fred Peivandi stated that in Department 10 – Commissioners' expenditures remained the same with the exception of Commissioner's salaries, which were increased by the County Board in 2019.

**Department 15 - Engineering** – Engineering Director, Mr. Eric Johnston stated that the Engineering Department's budget increased from 1.718 million to 1.853 million for fiscal year 2020. Some of the key changes include union staff member's salary increases per the negotiated contract, software maintenance fees, hiring of a new Engineering Construction Manager, with overlap of the present Manager for training purposes and further, the Dort Highway Extension project will necessitate the need for increased fees and overtime.

**Department 20 – Maintenance** – Maintenance Director, Mr. Anthony Branch stated that the Maintenance Budget has an overall decrease of \$2,047,979 from last year. Mr. Branch said he has the largest department with 70 employees in the Maintenance Department. Key highlights included an increase in labor due to step increases, contractual increases as well as the hiring of an additional Sign Shop Supervisor for fiscal year ending 2020. Contracted services increased due to chloride costs and the addition of \$300,000 to the budget for sweeping local subdivisions and hydro seeding. Due to projects this fiscal year where we utilized the \$4,000,000 from fund balance, Mr. Branch said that material costs were decreased by \$2,994,270.

**Department 30 - Fleet Maintenance & Facilities** – Operations Director, Randy Dellaposta stated that there is an overall decrease of \$40,000 in the Fleet Maintenance & Facilities budget. Labor costs increased slightly due to step increases and negotiated contracted salary increases. Contracted Services went up due to unexpected costs by contractors. Capital outlay costs went down, but facilities will be making improvements to the boiler and roof of the Flint Administration building. Mr. Dellaposta stated all Department 30 Mechanics are State Certified Master Mechanics and we are doing 85% of our mechanical work in-house now. Mr. Dellaposta said pride and moral is his department is very high.

**Department 60 – Human Resources** - Human Resource Director, Donna Poplar stated that her budget has an overall increase of \$41,957. They have a few labor cost increases due to step increases. She increased her overtime budget slightly. Contracted services have increased based on consulting services they will be utilizing.

Ms. Poplar stated that she would like to go over the labor costs in her department. Ms. Poplar said that for the past 3 years, she has been trying to get a Human Resource Assistant on a full time basis. Currently her Human Resource Assistant works part time. Each year the amount of work human resources has needed to do has increased. Ms. Poplar said she has been pushing for a human resource audit and wage analysis and from that process, she was told to wait on what the consultant recommended regarding an assistant. The person she wants to hire is a single person, with no children and will cost \$23,000 in full benefits, which is a total of \$64,995 to on-board this person full time. Ms. Poplar feels that by making some minor adjustments, they can adjust the human resource budget to fund this full time position.

Commissioner Kautman-Jones stated that we are in the business of taking care of roads and should try to keep non-essential labor costs down. Managing Director Fred Peivandi said that he wanted to hire more Maintenance and Equipment Department personnel but he had to balance the budget, so this was not possible.

Chairperson Mandelaris commented that he would like the Board to vote on this section of the budget at this time. Chairperson Mandelaris would like to implement this full time Human Resource Assistant position for a year and review the need for the position in one year.

**ACTION TAKEN** - Motion by Mr. Dickerson, seconded by Mr. Johnson, to amend the budget in the Human Resource department, to increase line item 703.002 Human Resource Administrative Assistant from \$26,000 to \$41,995 as a temporary full time Human Resource Administrative Assistant for a period of one year.

Commissioner Arceo stated he does not want to change this particular budget line item, he is voting no on this motion.

Commissioner Kautman-Jones stated that the budget has been presented with a balanced bottom line. If you come into this budget workshop and try to change a department, this budget cannot be adopted today, because the entire budget must then be sent back up to Finance and re-worked to insert this change back into the budget. Chairperson Mandelaris called for a vote on the motion.

**VOTE ON MOTION**

Yes: Dickerson, Johnson, Mandelaris  
No: Kautman-Jones, Arceo

**MOTION CARRIED**

Finance Manager Dianna Robertson stated that she will need to adjust the budget to reflect this change in the budget before the placement on the table. She will meet with Human Resources after the meeting to make the necessary adjustments.

**Department 70 – Finance** – Finance Director, Tracy Kahn presented the Finance Department Budget to the Board. Ms. Kahn stated her budget had a decrease by \$10,092 from last year. Key areas included a decrease in the department director’s salary, labor costs for staff increased due to negotiated contract increases and the elimination of an Administrative Assistant and addition of a Senior Accountant. Training and equipment rental were both increased slightly.

**Department 81 – Administration** – Managing Director Fred Peivandi stated that Administration Department had an overall decrease of \$22,456 over last year. Labor costs remained the same with a correction made to the Managing Director salary. Overtime costs were decreased and as well as a decrease in computer equipment costs. Chairperson Mandelaris inquired about computer safety measures. Managing Director Peivandi stated the Network Administrator, Mike Lewis has installed safeguards to protect the Road Commission from these attacks.

**Department 90 – Non-Departmental** – Finance Manager, Dianna Robertson stated that overall costs in Department 90 are down by \$1,258,490. Fringes were decreased by \$651,328, in part due to retiree’s health insurance being re-allocated to a different plan. Office supplies are up slightly due to postage costs and new leases on copy machines. Utilities are up slightly but contracted services have decreased due to a decrease in the cost of the yearly audit. In addition, Debt Service - Principal and Interest went down because we no longer have our balloon payments for special assessments.

**Department 91 – Road Projects** – Engineering Director, Eric Johnston went over the Department 91 budget. This Department Mr. Johnston stated, is broken down into three (3) sections. Federal and State Funded Projects, Primary Road projects, and Local Road projects. Summarizing this department, Mr. Johnston said that Federal/State projects were decreased by \$3,000,000 due to a funding dollar decrease. Primary Road projects are up 3.2 million mostly due to carry over projects from 2019 and Local Roads projects are up .6 million due to allocation funding dollars we will be utilizing.

Managing Director Fred Peivandi stated that we would wait until everything is balanced in January 2020 and whatever is left over in excess of our \$20,000,000 Fund Balance will be allocated to road or bridge projects.

Chairperson Mandelaris called for a motion to approve the 2019/2020 proposed budget as amended, for placement on the table for public viewing.

**ACTION TAKEN** – Motion by Mr. Dickerson, seconded by Mr. Dickerson, to approve the 2019/2020 proposed budget as amended, for placement on the table for public viewing.

**VOTE ON MOTION**

Yes: Dickerson, Johnson, Mandelaris

No: Kautman-Jones, Arceo

**MOTION CARRIED.**

**COMMISSIONERS CONCERNS**

Commissioner Kautman-Jones commented that it might be considered discriminatory to state a position, related to an employee's marital status, as to how it will affect an organizations budget.

Chairperson Mandelaris stated that he was summoned to a meeting at the County Board with three County Commissioners last week. The County Board members expressed concern that the Road Commission's overtime costs are 35%.

Maintenance Director, Anthony Branch explained that a large portion of the Road Commission's budget is snow removal and last year was one of the worst winters the state of Michigan had experienced in years, in terms of snow and ice accumulations. Mr. Branch said that snow does not always fall during working hours. In addition, Mr. Branch said that the Townships and the State of Michigan pay for a large proportion of the overtime cost for work we perform on their behalf.

**ADJOURNMENT**

Chairperson Mandelaris, without objection, adjourned the meeting at 12:58 p.m.

JOHN J. GLEASON

Clerk/Register

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Linda B. Kossak, Secretary of the  
Board of Road Commissioners

lbk, 8/27/19